

## DEPARTMENT OF THE AIR FORCE

WASHINGTON, DC



## OFFICE OF THE ASSISTANT SECRETARY

DEC 1 2 2006

MEMORANDUM FOR ALMAJCOM-FOA-DRU/CC

FROM: SAF/AQ

1060 Air Force Pentagon Washington, DC 20330-1060

SUBJECT: Undefinitized Contract Actions (UCAs)

In appropriate circumstances, it is acceptable to use Undefinitized Contract Actions (UCAs) as a procurement tool to meet urgent Government requirements where performance must begin immediately. For example, recently UCAs have been successfully used to support contingencies and ongoing combat operations. However, the use of UCAs puts the Government at increased risk when contracts are not definitized within required timeframes and may result in inappropriate contractor profits. As such, I want to emphasize the need to have appropriate management controls in place to ensure that the use of such contracts is compliant with Defense Federal Acquisition Regulation Supplement (DFARS) 217.74 policies.

Specifically, Program Managers and Contracting Officers must properly justify the use of a UCA versus alternate contracting methods in their acquisition planning documents. In addition, Contracting Officers must definitize UCAs within required timelines, and the contract file must document the reasonableness of negotiated profit rates. Head of Contracting Activities (HCAs) are required to ensure that field organizations are in compliance with AFFARS MP5317.7404-3 and must establish procedures to track UCAs and submit written reports for any UCA not definitized within required timelines.

UCAs should not be used as a normal means of conducting business and are limited to use only in those actions where negotiation of a definitive contract is not feasible to meet Air Force requirements. Limitations on obligations and definitization schedule requirements are waived by prior SAF/AQC memos for UCAs in support of Operation Iraqi Freedom, Enduring Freedom, and Noble Eagle.

My point of contact for questions regarding this memorandum is Lt Col Joe Mazur, SAF/AQCP, who may be reached at joe.mazur@pentagon.af.mil or 703-588-7054.

SUE C. PAYTON

Assistant Secretary of the Air Force

(Acquisition)

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